Name of Practice: AGRICULTURAL CHEMICAL & FERTILIZER HANDLING FACILITY DCR Specifications for No. WP-6

This document specifies terms and conditions for the Virginia Department of Conservation and Recreation's agricultural chemical and fertilizer handling facility best management practice that are applicable to all contracts entered into with respect to that practice.

A. <u>Description and Purpose</u>

This practice will promote facilities to adequately store, mix and contain agricultural chemicals and fertilizers.

The purpose of this practice is to improve water quality by properly handling chemicals and fertilizers during mixing equipment.

B. <u>Policies and Specifications</u>

- 1. Cost-share or tax credit is authorized:
 - i. For earth shaping to provide area for facility.
 - ii. For the construction of a facility adequate to contain mixing and handling of chemicals and fertilizers for on farm use.
 - iii. Equipment needed to contain chemical and/or fertilizer spills during mixing and handling in the facility.
- 2. Tax Credit is not authorized for pumping and handling equipment that may be used in the application of chemicals and fertilizers.
- 3. In order to be eligible for cost-share or tax credit, producers must be fully implementing a current Nutrient Management Plan (NMP) on all agricultural production acreage contained within the field that this practice will be implemented on. The NMP must comply with all requirements set forth in the Nutrient Management Training and Certification Regulations, (4VAC50-85 et seq.) and the Virginia Nutrient Management Standards and Criteria (revised July 2014), must be prepared and certified by a Virginia certified nutrient management planner, and must be on file with the local District before any cost-share payment is made to the participant. Plans shall also contain any specific production management criteria designated in the BMP practice (4VACV50-85-130G).
- 4. An emergency action plan must be developed prior to the approval of the tax credit.
- 5. This practice is subject to the specifications of NRCS Standard 309 Agrichemical Handling Facility.

6. All practice components implemented must be maintained for a minimum of 10 years following the calendar year of certification of completion. The lifespan begins on Jan. 1 of the calendar year following the year of implementation. By accepting either a cost-share payment or a state tax credit for this practice the participant agrees to maintain all practice components for the specified lifespan. This practice is subject to spot check by the District throughout the lifespan of the practice and failure to maintain the practice may result in reimbursement of cost share and/or tax credits.

C. Rate(s)

- 1. The state cost-share payment, alone or if combined with any other cost-share payment, will not exceed 75% of the total eligible cost.
- 2. As set forth by Virginia Code § 58.1-339.3 and §58.1-439.5, Virginia currently provides a tax credit for implementation of certain BMP practices. The current tax credit rate, which is subject to change in accordance with the Code of Virginia, is 25% of the total eligible cost not to exceed \$17,500.00.
- 3. If a participant receives cost-share, only the participant's eligible out-of-pocket share of the project cost is used to determine the tax credit.

D. <u>Technical Responsibility</u>

Technical and administrative responsibility is assigned to qualified technical DCR and District staff in consultation, where appropriate and based on the controlling standard, with DCR, Virginia Certified Nutrient Management Planner(s), NRCS, DOF, and VCE. Individuals certifying technical need and technical practice installation shall have appropriate certifications as identified above and/or Engineering Job Approval Authority (EJAA) for the designed and installed component(s). All practices are subject to spot check procedures and any other quality control measures.

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